

ADMINISTRATIVE COMMITTEE ON VETERANS AFFAIRS  
COMFORT INN  
BISMARCK, ND

November 19, 2010  
9:00 a.m.

Meeting called to order by Chairman Schuchard. Pledge of Allegiance and Moment of Silence for POW/MIAs and those serving overseas.

Roll Call:

Present:

John Adolf	Ken Hasby	Dean Overby
Ron Braaten	Dave Hilleren	Lyle Schuchard
Lee Finstad	Orletta Kilen	Jim Verwey
Mike Fisher	Mark Landis	
John Hanson	Ron Otto	

Absent:

Jeff Hall (excused)                      Carroll Quam (excused)

Guests:

Jim Hilzendeger, President, ND CVSO Association  
Maren Daley, Executive Director, ND Job Service  
Members of the ND Veterans Coordinating Council

***Motion by John Hanson to accept the September 24, 2010 meeting minutes, second by Orletta Kilen. Motion passed unanimously.***

**Speakers:**

**General Dorman, NDARNG**

- ▶ The Guard is focusing on getting the message out on taking care of our veterans.
- ▶ Day of the Deployed event held in Bismarck
- ▶ Disabled veteran deer hunt at Camp Grafton. Eight were signed up and harvested six bucks and two does
- ▶ Upcoming legislation: Veterans Court – it is of great interest to the Guard and they will be tracking it over the legislative process.
- ▶ Looking into the possibility of opening a Military Service Center in the Fargo area.
- ▶ Prepping for flood response in the Spring
- ▶ Working with Emergency Services in Burleigh and Morton Counties as an exercise in responding to events
- ▶ Air Guard given a Psychological Health Director position to assist the servicemen who are in charge of the drones.
- ▶ Number of initiatives for legislation session: #1 priority is taking care of the servicemen and their families; also funding for recruiting and retention and opening a Military Service Center in Fargo are some of the other issues.

Mike Mullen introduced Laura Bearfield, Attorney General's Office, as the legal advisor for the Department and the Veterans Home. She is a member of the National Guard and served on active duty in Afghanistan. Ms. Bearfield stated she is happy to be able to work on veterans issues and is looking forward to a good working relationship with everyone.

**J Brian Hancock, MD, Chief of Staff, VA Medical Center**

Dr. Hancock spoke on being new to the VA system. He is very honored to be working at the Fargo VA and states that the focus is always on "what is best for the veteran". He has been fortunate to provide support to the Rough Rider Honor Flight. The last flight will be in May 2011. Dr. Hancock gave updates on the Fargo VA. There are three changes going on at the VA - position recruiting, new leadership, and construction and finance. There have been many changes in the leadership area at the VA, some due in part to Dr. Petzel's promotion from being the VA Network Director for VISN 23 to Under Secretary of Health. Construction projects include replacing all operating rooms with state of the art equipment and adding an audiology suite on 4<sup>th</sup> Floor.

**Marlys Morgenstern, Veterans Program Administrator, Job Service ND**

The Job for Veterans' Act of 2002 required that there be priority of service for veterans' and eligible spouses in any workforce preparation, development, or delivery program or service directly funded in whole or in part by the U.S. Department of Labor.

“Priority of Service” means the right of veterans and eligible spouses to take precedence over a non-covered person in obtaining all employment and training services. Those entitled to this service are: individuals who served on active duty with the Armed Forces and received other than a “dishonorable” discharge and the spouse of a veteran who has a total disability resulting from a service connected disability or is MIA, captured, or forcibly detained by a hostile force; or who died of a service connected disability.

**Mark Johnson, Administrator, ND Veterans Home**

Gave updates on construction project: Section A is close to 95% complete, Section B is 60 – 65% complete, Section C is about 75% - 80% complete (basic care unit); and Section D is around 85 – 90% complete (skilled unit). All curbs, pavement, parking lot and striping are finished. Building completion should be done in February 2011. Veterans should be moved into the building late March. Forty-two residents will be moved into the building (21 in basic and 21 in skilled) for the process of being certified by the VA. Once the building is certified, it is qualified for VA per diem. During the time period of the move until it’s certified, the Home will lose per diem for forty-two residents. That translates into a loss of \$3,000 a day. He is working with the VA to ensure that time period is as minimal as possible.

The Governing Board met this week in Bismarck and is working on a strategic plan. Mark went through the preliminary draft with the committee.

A plaque was presented to Orletta Kilen for her six years of service on the ND Governing Board.

Discussion on alternative uses for the 1990 addition, one being proposed is a military museum.

**Kristin Lunnenborg, CFO, ND Veterans Home**

Gave overview of 2011-2013 proposed Budget. There is a \$2.3 million increase due in large part to a 30% increase in the number of veterans who can reside at the Home. There will be a new bond payment in addition to items that were asked for last biennium but were not funded. They are going into the legislative session with some options for the Administrator’s house: 1) to replace the heating system or 2) to build a new house. The cost of fixing the home outweighs the cost of building a new home.

Chairman Schuchard asked Mike Mullen to explain a resolution concerning the new Veterans Home. SB 2025 authorized the issuance of bonds in the amount of \$2.9 million for the construction. It is recommended that the ACOVA approve a resolution requesting the Industrial Commission to issue bonds to complete the construction of the Veterans

Home. The Resolution requires a roll call vote and signatures by the Chairman and Secretary.

***Motion by Lee Finstad to approve the “Resolution Regarding Financing by the North Dakota Building Authority”, second by John Adolf. Motion passed unanimously.***  
[MOTION #1]

Joint meeting with the ND Veterans Coordinating Council called to order. Chairman Schuchard stated the ACOVA and Veterans Coordinating Council will work together on any bill changes. Lee Finstad and Commissioner Wangen were asked to go through the handouts.

**Korean War Service Dates:**

No action needed.

**Disabled Veteran License Plates:**

Change: “~~or who receives compensation at the one hundred percent disability rate due to individual un-employability~~ an extra scheduled rating to bring them to the 100% disability compensation rate as determined by the department of veterans affairs”

Ms. Bearfield explained the reason for the wording change is to include any other rating increase and not tie it just to the un-employability language.

***Motion by Dean Overby to accept changes to bill draft, second by Jim Verwey Motion passed unanimously.*** [MOTION #2]

**Motor Vehicle Excise Tax Exemption:**

Change: “An individual ~~unremarried surviving spouse~~ who is receiving veterans affairs dependency and indemnity compensation retains the exemption of their deceased, qualifying veteran ~~spouse~~ in this subsection.”

The wording change allows more than the spouse to receive the tax exemption, parents can also received DIC.

***Motion by Dave Hilleren to accept the change, second by Mike Fisher. Motion passed unanimously.*** [MOTION #3]

**Property Tax Exemption:**

Add “An individual who receives an extra scheduled rating to bring them to the 100% disability compensation rate as determined by the department of veterans affairs will receive the 100% disability rate as described in this section.”

Add “An individual who is receiving veterans affairs dependency and indemnity compensation receives a 100% exemption as described in this subsection.”

*Motion by John Hanson, second by Orlette Kilen. Motion passed unanimously.* [MOTION #4]

**Free education for dependents NDCC 15-10-18.2 and 15-10-18.3**

Add language “or who receives an extra scheduled rating to bring them to the 100% disability compensation rate as determined by the department of veterans affairs.”

*Motion by Dean Overby, second by John Adolf. Motion passed unanimously.* [MOTION #5]

**Fund 410 Clearing Account, Increase PWTF Principal, Income Tax Check off Box, and StandDown**

Explanation of why three bills should be combined, why the dollar amounts changed, and the removal the Income Tax Check Off Box.

*Motion by Jim Verwey to combine the three bills, change the numbers and the remove Income Tax Check Off Box, second by John Hanson.* [MOTION #6]

**Honor Guard**

No action necessary

**Veteran’s Preference**

No action necessary

**Appeals Hearings**

No action necessary

**Women Veterans’ Month**

No action necessary

**Veteran indicator on Driver’s License**

No action necessary

**Exempt Military Retirement Pay**

As per HB 1331 from the 2009 Legislative Session

**Veterans Court**

The Supreme Court decided to go ahead and develop a Veterans Court. This court should become a reality by the end of July 2011.

**Telemarketing**

NDVCC approved the concept of service organizations using telemarketing as a means to raise funds.

Joint meeting concluded.

Recessed for lunch.

Reconvened at 12:30pm

**Commissioner's Report** [HANDOUT]

- ▶ Reported on training and meetings attended by Commissioner and staff
- ▶ Reported on the Grant and Loan Programs
- ▶ No appeals or veterans preference hearings

***Motion by Ken Hasby to accept report, second by Ron Braaten. Motion passed unanimously.***

**Veterans Affairs Committee** – Dave Hilleren, Chairman

Grant Policy 432 - Transportation Grant, subcommittee recommends adoption by the full committee.

Grant Policy 413 - Income, subcommittee recommends adoption by the full committee to add, "Dependent children's income will not be counted."

Veterans Aid Loan Policy 236 – Relocating Out of State, subcommittee recommends adoption by the full committee.

***Motion by Mike Fisher to accept report and policy changes, second by John Hanson. Motion passed unanimously.***

**Budget Committee** – Ken Hasby, Chairman

Explanation of expenses and remaining budget.

***Motion to approve report by Orletta Kilen, second by Lee Finstad. Motion passed unanimously.***

**Postwar Trust Fund Committee – Orletta Kilen, Chairman**

Report given by Mark Landis.

No new requests have been submitted. There are no outstanding grants.

***Motion to approve report by Ken Hasby, second by Dave Hilleren. Motion passed unanimously.***

**Appeals Committee - John Hanson, Chairman**

Report given by Jim Verwey.

No appeals were heard. New members on the committee asked questions on the activities of the committee. The Commissioner handed out draft guidelines for the committee's consideration on how to hold a hearing. The committee requested the packets containing the guidelines and an updated copy of the grant and loan program guidelines.

***Motion to approve report by John Hanson, second by Ron Braaten. Motion passed unanimously.***

**Legislative Committee – Lee Finstad, Chairman**

The committee went over the proposed legislation. Chairman Finstad had a telephone conversation with Jim Ganje, who is the pointman for the Supreme Court. It is hoped the Veterans Court will be up and running by the end of July 2011.

***Motion to accept report by Dean Overby , second by Dave Hilleren. Motion passed unanimously.***

Mike Fisher asked the \$24,000 in Grant Program if that money will be used solely for grants or if it will be directed to other areas. Orletta Kilen replied it will be used only for grants.

**Chairman's Report**

Chairman Schuchard noted that Carroll Quam and Jeff Hall were both excused from the meeting; Carroll due to a medical condition that his doctor would not let him travel and Jeff due to the death of his wife.

The Chairman would like to everyone to work together this legislative session. If anyone has issues that needs discussing, they should be brought forward so they can be worked out and they can be united on the issues.

No meeting set, it will depend on the legislative issues.

Good of the Order:

A collection was taken at the meeting and at least \$125 will be brought to the Veterans Cemetery for a memorial in the name of Debbie Hall.

*Motion to adjourn by Mike Fisher, second by Jim Verwey. Motion passed.*

Respectfully submitted

Ron Otto  
Secretary